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Security
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INSIDE LABOR

British Permit Castro's International Smuggling Network to Use
Nassau, Bahamas, as Key Base for Operation in U.S.

By Victor Riesel

New York -- Secret Castro agents, with special "Cuban shopping lists" in their hands and heads, are operating out of false purchasing fronts set up in Nassau, the Bahamas, Montreal, and key cities in the United Kingdom.

These international operatives want to make the U.S. their supermarket for heavy machinery, transport equipment of all kinds, maritime engines, locomotives, insecticides for vital sugar and tobacco crops, and other agricultural chemicals. Without smuggling such heavy supplies as well as millions of spare parts out of the U.S. on the pretext of sales to non-Communist nations, the Cuban economy would collapse.

Our intelligence services, coordinated across the world by the tiny Investigations Division, Office of Export Control, Bureau of International Commerce, U.S. Dept. of Commerce, are aware of this British cooperation with Castro and have reported it to the highest echelons in our government.

Despite official U.S. protests to London, the English have done nothing to discourage the use of Nassau as a Castro operating base. Instead, the British have increased their shipping direct to Cuba, especially fuel tankers. British firms, such as the Dunlop Tire Co., have put a man in Havana.

Therefore our government must act on its own to stop the Fidelistas from buying strategic material in the U.S. This is almost impossible under the present undermanned system of counter investigation of the "shopping list" crowd. Here in the port of New York alone there are 10,000 export transactions processed daily. Of these, 7,000 go out by sea in some 40 ships and 3,000 by air in some 100 planes leaving idlwild.

Viktor Blasej

Page 2

5/30/63

Policing all this are exactly eight men in New York. They have 13 colleagues in Washington. This force of 21 men and 14 clerks is all we have to throw against the vast international network of the Communist world -- which gets its assist from some of our allies. And the 21 men are exactly what's available to cover not only this harbor but such big ports as Philadelphia, Baltimore, Boston and all the rest.

With the help of the Customs Dept., special officers in our embassies abroad, and tips from merchants who won't do business with the Communists and from the longshoremen, the Investigations Division does remarkably well.

But here is what it is up against. A typical Castrolike operation was cracked and frustrated some two years ago, just as it was succeeding in obtaining over half a million dollars worth of insecticide in the U.S. Americans are not permitted to sell this to Cuba.

So the Fidelistas set up a Panamanian agent. He placed orders in Miami. The insecticide so desperately needed by the Communist Cubans was to be sent to a Mexican company which was owned by a firm based in Nassau.

The insecticide, really bound for the money-making Cuban crops, was to be picked up in the port of Miami by an old tub. She was to steam slowly to Coatzacoalcas, a port 135 miles south of Veracruz on the Mexican Gulf coast. There it was to be secretly routed to Cuba.

And how was all this to be paid for? The Cubans got a Canadian bank to put money in its Nassau branch which then made credit available in a Miami bank on which the original Panamanian front for the so-called Mexican purchaser could draw.

Obviously the Canadian and British authorities which keep close check on such big cash transactions knew what was happening -- and must have known that eventually the money would be paid back to the Canadians by the Cuban bank for the U.S. purchase.

Against this kind of operation, the U.S. Treasury has 21 specialists who have developed every

5/30/63

In the past two weeks, the Office of Export Control, using its authority to wipe out export licenses, seized \$50,000 worth of heavy industrial equipment.

Some weeks ago the Investigations Division discovered that a British firm known "to be extremely active in Cuba procurement efforts" was scrapping for special machinery amongst U.S. jobbers. The firm began picking up the equipment and sent out its first shipment worth \$50,000. This was consigned to a buyer allegedly in Western Europe.

But our agents noted that the ship was to stop in a third port on its way from New York to a United Kingdom harbor. The Dept. believed there would be a rerouting of the equipment to Cuba. It voided the license, cabled ahead to have the machinery seized in the foreign port, reloaded it on a New York bound vessel. Now the material is back here.

Similarly, there has been interception of oscilloscopes (used in radar and bombers) and vital pumps for nickel mining. All in the past few weeks. And all by the work of 21 men. If we beef up this squad, we could really boycott Castro and put a strain on his colleague Khrushchav.

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